

THE HONORABLE RICARDO S. MARTINEZ

UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF WASHINGTON
AT SEATTLE

DAIMLER AG, a German corporation,

Plaintiff,

v.

AMAZON.COM, INC., a Delaware corporation,

Defendant.

No.: 2:16-cv-00518-RSM

FIRST AMENDED COMPLAINT

JURY DEMANDED

COMES NOW, Plaintiff Daimler AG (“Daimler”), by counsel, to hereby file its First Amended Complaint (“Complaint”) against Defendant Amazon.com, Inc. (“Amazon”), and states as follows:

I. NATURE OF THE ACTION

1. This is a civil action for trademark infringement, design patent infringement, false advertising, false designation of origin, false representation of fact, unfair competition, passing off and related claims under federal and Washington State law resulting from: (i) Defendant’s use of various trademarks owned by Daimler in connection with the offer for sale, sale and distribution of wheels which are not authorized or sold by Daimler, and (ii) Defendant’s offer for sale, sale and distribution of wheels which blatantly copy issued design patents in various distinctive and artistic wheel designs owned by Daimler.

2. Daimler's claims arise under the United States Trademark Act (Lanham Act of 1946), 15 U.S.C. § 1051 *et seq.*, under the United States Patent Act, 35 U.S.C. §§ 1 *et seq.*, and

1 under Washington State statutory and common law. As a result of Defendant's acts complained
2 of herein, Daimler seeks permanent injunctive relief and the recovery of damages to the extent
3 not already recovered, costs, attorneys' fees, and other relief as more fully set forth herein.

4 **II. THE PARTIES**

5 3. Plaintiff Daimler is a German corporation, having a principal place of business at
6 Mercedesstrasse 137, 70327 Stuttgart, Germany. Daimler is a worldwide producer of premier
7 luxury passenger automotive vehicles and parts therefor, including wheels. Daimler is the owner
8 of the patents and trademarks described herein, which it administers for the benefit of Daimler's
9 U.S. subsidiaries and non-exclusive licensees.

10 4. Defendant Amazon is a corporation organized and existing under the laws of the
11 State of Delaware. Amazon conducts business throughout the United States and abroad, with a
12 principal place of business at 410 Terry Avenue North, Seattle, WA 98109. Amazon is an online
13 retail outlet that offers and sells, for example, consumer products, computing services, and
14 digital content. Amazon provides both direct sales to consumers, as well as a platform for third
15 party sales through various internet-based enterprises.

16 **III. JURISDICTION AND VENUE**

17 5. This action arises under the patent and trademark laws of the United States, 35
18 U.S.C. §§ 1 *et seq.* and 15 U.S.C. §§ 1051 *et seq.*, respectively, and therefore this Court has
19 jurisdiction over the subject matter pursuant to 28 U.S.C. § 1331 (federal question) and § 1338
20 (patent and trademark infringement). This Court has supplemental jurisdiction over the
21 remaining claims pursuant to 28 U.S.C. § 1367.

22 6. This Court has personal jurisdiction over Amazon as a resident of this District, due
23 to Amazon's principal place of business being located in this Judicial District. In addition,
24 Amazon markets, distributes and/or sells infringing products throughout the United States,
25 including to customers within this Judicial District.

26 7. Venue is proper in this district pursuant to 28 U.S.C. § 1391.

IV. BACKGROUND

Daimler's Intellectual Property Rights

8. Daimler is a world-renowned designer and manufacturer of premier luxury passenger automotive vehicles and parts therefor, including wheels. Daimler and/or its predecessors in interest have designed and manufactured vehicles since 1886, and since 1926, have produced and sold worldwide, including in the United States through its wholly-owned United States subsidiaries, its vehicles and related parts under the distinctive Mercedes-Benz brand. For almost 90 years, the Daimler Mercedes-Benz brand of vehicles has been and continues to be recognized worldwide, including in the United States.

9. The Mercedes-Benz brand stands for supreme excellence in terms of products, technology and services. In Fiscal Years 2013 and 2014 alone, Daimler's wholly owned subsidiaries sold 663,000 Mercedes-Benz vehicles in the United States.¹ In 2015, Forbes ranked the Mercedes-Benz brand 24th among the world's most valuable brands.²

10. Daimler has protected its exclusive brand, innovative designs and cutting-edge technologies through a broad range of intellectual property rights. For example, at least as early as 1926, Daimler and/or its predecessors in interest have continuously and extensively employed the mark MERCEDES-BENZ in connection with advertising and selling its luxury brand of automobiles, on authorized automobile parts and accessories, and in connection with authorized services.

11. Daimler owns all rights, title and interest in U.S. Trademark Registration No. 657,386 for MERCEDES-BENZ, which is a word mark for goods including automobiles, motor trucks, and parts thereof (the "MERCEDES-BENZ Mark"). True and correct copies of the registration certificate, renewal notice, and abstracts of title for the MERCEDES-BENZ Mark

¹ <https://www.daimler.com/company/business-units/mercedes-benz-cars/>

² <http://www.forbes.com/companies/mercedes-benz/>

1 are attached hereto as **Exhibits 1a-1c**. The MERCEDES-BENZ Mark was registered on
2 January 21, 1958 based on a corresponding German trademark registered on October 10, 1927.

3 12. Pursuant to Section 7(b) of the Lanham Act, 15 U.S.C. § 1057(b), Daimler's federal
4 registration certificate for the MERCEDES-BENZ Mark is *prima facie* evidence of the validity
5 of the MERCEDES-BENZ Mark.

6 13. Pursuant to Section 15 of the Lanham Act, 15 U.S.C. § 1065, the mark
7 "MERCEDES-BENZ" (U.S. Reg. No. 657,386) has become incontestable. A copy of the
8 USPTO Trademark Status and Document Retrieval (TSDR) status page showing
9 acknowledgment of Incontestability under Section 15 for U.S. Reg. No. 657,386 is attached
10 hereto as **Exhibit 2**.

11 14. Based on its incontestability under Section 15 of the Lanham Act, 15 U.S.C.
12 § 1065, the federal registration of the MERCEDES-BENZ Mark is conclusive evidence of
13 Daimler's exclusive right to use the MERCEDES-BENZ Mark in commerce in connection with
14 automobiles, motor trucks, and parts thereof.

15 15. Daimler has expended millions of dollars in advertising across the country in
16 connection with the MERCEDES-BENZ Mark. As a result of Daimler's substantial investment
17 of time and resources, and as a direct result of the more than fifty years of continuous and
18 conspicuous usage, Daimler has established the MERCEDES-BENZ mark as famous and/or
19 well-known among U.S. purchasers of motor vehicles and wheels, as well as among the general
20 members of the U.S. public.

21 16. To create and maintain goodwill among its customers, Daimler and its subsidiaries
22 and/or licensees have taken substantial steps to assure that all authorized dealers and service
23 providers using the MERCEDES-BENZ Mark are of the highest quality.

24 17. Daimler's use in commerce of the MERCEDES-BENZ Mark started prior to any
25 use thereof that may be claimed by Amazon.

26 18. The MERCEDES-BENZ Mark became famous prior to any use thereof by Amazon.

Daimler's Design Patents

22. An assignment to Daimler of the ‘D211 Patent and the application that issued as the ‘D760 Patent from its predecessor company, DaimlerChrysler AG, the original assignee, is recorded at Reel/Frame No. 20986/1. Copies of the Abstracts of Title for the ‘D760 Patent and the ‘D211 Patent are attached hereto as **Exhibits 4a and 4b**, respectively.

24. Following grant of each of the ‘D760 Patent and the ‘D211 Patent, Daimler, its subsidiaries, and/or its licensees have continuously produced and sold wheels that embody the invention claimed therein, either in conjunction with a complete vehicle or as a stand-alone product.

25. Amazon offers for sale a variety of automotive parts, including wheels under the brand name “Wheel Replicas.”

26. Through its website (www.amazon.com), Amazon provides categorized product departments, including a “Tires & Wheels” department. Among the products advertised for sale under the “Tire & Wheels” department are the following (collectively, the “Accused Products”):

- a. A first size of Wheel Replicas V1175 Gun Metal Wheel with Machined Face (17x8”/5x112mm) (“First V1175 Wheel”);
- b. A second size of Wheel Replicas V1175 Gun Metal Wheel with Machined Face (18x8.5”/5x112mm) (“Second V1175 Wheel”);
- c. A first size of Wheel Replicas V1174 Gun Metal Wheel with Machined Face (17x8”/5x112mm) (“First V1174 Wheel”);
- d. A second size of Wheel Replicas V1174 Gun Metal Wheel with Machined Face (18x8.5”/5x112mm) (“Second V1174 Wheel”); and
- e. Wheel Replicas V1144 Mercedes-Benz AMZ Hyper Silver Dark Wheel with Machined Finish (18x8”/5x112 mm) (“V1144 Wheel”).

27. A screenshot of the direct webpage through which Amazon sells the First V1175 Wheel (<http://www.amazon.com/Wheel-Replicas-V1175-Machined-5x112mm/dp/B00ICEGMUS>) is attached hereto as **Exhibit 5a** (visited on Jan. 23, 2016). A screenshot of the direct webpage through which Amazon sells the Second V1175 Wheel (<http://www.amazon.com/Wheel-Replicas-Machined-18x8-5-5x112mm/dp/B00ICE9CI2>) is attached hereto as **Exhibit 5b** (visited on Jan. 22, 2016). A screenshot of the direct website through which Amazon sells the First V1174 Wheel (<http://www.amazon.com/Wheel-Replicas-V1174-Machined-5x112mm/dp/B00ICEGJQK>) is attached hereto as **Exhibit 5c** (visited on June 29, 2015). A screenshot of the direct website through which Amazon sells the Second V1174 Wheel (<http://www.amazon.com/Wheel-Replicas-Machined-18x8-5-x112mm/dp/B00ICEGKJ6>) is attached hereto as **Exhibit 5d** (visited on Jan. 22, 2016). A screenshot of the direct website through which Amazon sells the V1144 Wheel (<http://www.amazon.com/dp/B007RM7FAC>) is attached hereto as **Exhibit 5e** (visited on Mar. 9, 2016). The foregoing direct website pages (*see* Exs. 5a-5e) (collectively

1 “online sales pages”) all advertise that the Accused Product “[s]hips from and sold by
2 Amazon.com.”

3 28. A purchase of the First V1175 Wheel was made on July 24, 2015 through the
4 corresponding online sales page (*see* Ex. 5a). Another purchase of a First V1175 Wheel was
5 made on December 3, 2015 through the corresponding online sales page (*see* Ex. 5a). As shown
6 in the documentation of these purchase orders and deliveries, attached hereto as **Exhibit 6**, the
7 First V1175 Wheel purchases were shipped from Amazon Fulfillment Services at 1600
8 Worldwide Blvd., Hebron KY 41048.

9 29. A purchase of the First V1174 Wheel was made on August 31, 2015, and a
10 purchase of the Second V1174 Wheel was made on October 8, 2015, through the corresponding
11 online sales pages (*see* Exs. 5c and 5d). As shown in the documentation of these purchase orders
12 and the corresponding deliveries, attached hereto as **Exhibits 7a and 7b**, respectively, the First
13 V1174 Wheel and Second V1174 Wheel purchases were both shipped from Amazon Fulfillment
14 Services at 1600 Worldwide Blvd., Hebron KY 41048.

15 30. Upon information and belief, the Amazon Fulfillment Services location/facility that
16 shipped the purchased Accused Products is owned by Amazon.

17 31. The First V1175 Wheel and Second V1175 Wheel embody the design of the ‘D760
18 patent, as demonstrated by photographs of the purchased First V1175 Wheels that are attached
19 hereto as **Exhibit 8** and the corresponding online sales pages (*see* Exs. 5a and 5b).

20 32. The First V1174 Wheel and Second V1174 Wheel embody the design of the ‘D211
21 patent, as demonstrated by photographs of the purchased First V1174 Wheel and Second V1174
22 Wheel, respectively attached hereto as **Exhibits 9a and 9b**, as well as the corresponding online
23 sales pages (*see* Exs. 5c and 5d).

24 33. All automobile wheels purchased and received from Amazon were inspected to
25 confirm that they are not genuine products manufactured or authorized by Daimler,
26 its subsidiaries, or licensees. The inspection of the purchased items confirmed that the items

1 Amazon advertised and sold were in fact not Daimler-authorized or Daimler-manufactured
2 products.

3 34. Pursuant to 35 U.S.C. § 287, this Complaint provides Amazon actual notice of the
4 DAIMLER Patents.

5 35. On information and belief, in addition to offering the Accused Products for sale,
6 Amazon has actually sold the Accused Products to consumers through its online sales pages.

7 36. Amazon has actual knowledge of Daimler's use of and rights in the MERCEDES-
8 BENZ Mark. Through its online sales page for the V1144 Wheel (*see* Ex. 5e), Amazon is
9 willfully infringing upon Daimler's rights in the MERCEDES-BENZ Mark in order to capitalize
10 upon and profit from Daimler's reputation and goodwill.

11 37. As a result of the Amazon's unlawful infringing activities, Daimler has suffered
12 irreparable harm, and, unless Amazon is enjoined by this Court, will continue to suffer
13 irreparable harm for which there is no adequate remedy at law.

14 **V. CAUSES OF ACTION**

15 **COUNT I**

16 **Infringement of U.S. Design Patent No. D570,760**

17 38. Daimler realleges and incorporates by reference the allegations set forth above.

18 39. Amazon is directly infringing and/or inducing others to infringe by offering to sell
19 in the United States, selling in the United States, and/or importing into the United States,
20 products that infringe the 'D760 Patent, including at least the First V1175 Wheel and Second
21 V1175 Wheel.

22 40. The design of the First V1175 Wheel and Second V1175 Wheel is substantially the
23 same as the design covered by the 'D760 Patent, in the eye of an ordinary observer.

24 41. Amazon's continued infringement of the 'D760 Patent is intentional based on
25 knowledge of the 'D760 Patent at least through the filing of this action.
26

42. Amazon has gained profits by virtue of its infringement of the 'D760 Patent, while Daimler has sustained damages as a direct and proximate result of Amazon's infringing activities alleged herein.

43. The aforementioned acts of infringement by Amazon have caused, and unless enjoined by this Court will continue to cause, irreparable harm to Daimler for which there is no adequate remedy at law.

COUNT II

Infringement of U.S. Design Patent No. D542,211

44. Daimler realleges and incorporates by reference the allegations set forth above.

45. Amazon is directly infringing and/or inducing others to infringe by offering to sell in the United States, selling in the United States, and/or importing into the United States, products that infringe the 'D211 Patent, including at least the First V1174 Wheel and Second V1174 Wheel.

46. The design of the First V1174 Wheel and Second V1174 Wheel is substantially the same as the design covered by the 'D211 Patent, in the eye of an ordinary observer.

47. Amazon's continued infringement of the 'D211 Patent is intentional based on knowledge of the 'D211 Patent at least through the filing of this action.

48. Amazon has gained profits by virtue of its infringement of the 'D211 Patent, while Daimler has sustained damages as a direct and proximate result of Amazon's infringing activities alleged herein.

49. The aforementioned acts of infringement by Amazon have caused, and unless enjoined by this Court will continue to cause, irreparable harm to Daimler for which there is no adequate remedy at law.

COUNT III

Trademark Infringement under Sections 32(a) & 35 of the Lanham Act

(15 U.S.C. §§ 1114(a) & 1117)

50. Daimler realleges and incorporates by reference the allegations set forth above.

51. Amazon has used and/or is continuing to use the MERCEDES-BENZ Mark in connection with advertisement, promotion, and/or sale of at least the V1144 Wheel without authorization or license to do so.

52. Amazon's use of the MERCEDES-BENZ Mark as alleged herein has caused, and is likely to continue to cause, confusion and mistake as to the affiliation, connection, and/or association of at least the V1144 Wheel with Daimler, in violation of 15 U.S.C. § 1114(a),

53. As a direct and proximate result of Amazon's infringing activities relating to the MERCEDES-BENZ Mark, Daimler has suffered and/or is likely to suffer actual monetary damages, while Amazon has been and continues to be unjustly enriched.

54. Amazon's infringement of the MERCEDES-BENZ Mark has been and remains intentional and knowing, entitling Daimler to treble the actual damages and an award of attorneys' fees under 35 U.S.C. § 1117.

55. Each and every separate act of federal trademark infringement by Amazon constitutes a separate claim herewith.

COUNT IV

Trademark Dilution under Section 43(c) of the Lanham Act

(15 U.S.C. § 1125(c))

56. Daimler realleges and incorporates by reference the allegations set forth above.

57. The MERCEDES-BENZ Mark is distinctive and famous, and has been since prior to Amazon's unauthorized use thereof.

58. The MERCEDES-BENZ Mark has powerful consumer associations such that even non-competing uses can impinge on their value.

68. Amazon's unauthorized use of the MERCEDES-BENZ Mark constitutes common law unfair competition and trademark infringement because such use is likely to cause confusion, mistake, or deception as to the source, sponsorship, or approval by Daimler of at least the V1144 Wheel. Consumers are, for example, likely to believe that the V1144 Wheel advertised and/or sold by Amazon originates with Daimler, is licensed by Daimler, and/or is sponsored by, connected with, or related to Daimler.

69. Amazon's actions alleged herein constitute unfair competition and trademark infringement in violation of the common law of the State of Washington. Amazon's actions with respect to the MERCEDES-BENZ Mark have caused and, unless restrained by this Court, will continue to cause, serious and irreparable injury to Daimler, including within this State, for which it has no adequate remedy at law.

COUNT VII

Violation of Washington Consumer Protection Act

(RCW § 19.86.020)

70. Daimler realleges and incorporates by reference the allegations set forth above.

71. Amazon's conduct as alleged herein violates the Washington Consumer Protection Act, RCW § 19.86.020, in that Amazon has engaged in unfair or deceptive acts or practices in the conduct of trade or commerce.

72. Amazon's unauthorized use of the MERCEDES-BENZ Mark is confusing and deceptive to the public, and has caused damage to Daimler's business reputation, to MERCEDES-BENZ Mark, and other rights and properties in an amount to be determined at trial. Plaintiff is entitled to injunctive relief, attorneys' fees and costs, and other equitable relief as this Court may order.

VI. PRAYER FOR RELIEF

WHEREFORE, Daimler prays for the following relief:

1. Entry of a judgment that Amazon has directly infringed the 'D760 Patent;

1 2. Grant of a permanent injunction pursuant to 35 U.S.C. § 283, enjoining Amazon
2 and its officers, directors, agents, servants, employees, affiliates, attorneys, and all others acting
3 in privity or in concert with them, and their parents, subsidiaries, divisions, successors and
4 assigns from further acts of infringement of the ‘D760 Patent;

5 3. Entry of a judgment that Amazon has directly infringed the ‘D211 Patent;

6 4. Grant of a permanent injunction pursuant to 35 U.S.C. § 283, enjoining Amazon
7 and its officers, directors, agents, servants, employees, affiliates, attorneys, and all others acting
8 in privity or in concert with them, and their parents, subsidiaries, divisions, successors and
9 assigns from further acts of infringement of the ‘D211 Patent;

10 5. To the extent not already recovered, entry of a judgment awarding Daimler all
11 damages adequate to compensate for Amazon’s infringement of each of the ‘D760 Patent and the
12 ‘D211 Patent, in an amount to be proven at trial, and in no event less than a reasonable royalty
13 for Amazon’s acts of infringement, including all pre-judgment and post-judgment interest at the
14 maximum rate permitted by law;

15 6. To the extent not already recovered, entry of a judgment awarding Daimler all
16 damages, including treble damages, based on any infringement of the ‘D760 Patent and/or the
17 ‘D211 Patent found to be willful pursuant to 35 U.S.C. § 284, together with prejudgment
18 interest;

19 7. Entry of a judgment that this is an exceptional case and an award to Daimler of its
20 costs and reasonable attorneys’ fees incurred in this action as provided by 35 U.S.C. § 285; and

21 8. Entry of a judgment that Amazon has infringed the MERCEDES-BENZ Mark in
22 violation of Daimler’s rights under 15 U.S.C. § 1114 and under the common law.

23 9. Entry of a judgment that Amazon’s activities are likely to, or have, diluted the
24 famous MERCEDES-BENZ Mark in violation of Daimler’s rights under 15 U.S.C. § 1125(c);

25 10. Entry of a judgment that Amazon has competed unfairly with Daimler in violation
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1 of Daimler's rights under 15 U.S.C. § 1125(a) and the common law;

2 11. Entry of a judgment that Amazon's activities have violated RCW § 19.86.020;

3 12. Entry of an order directing Amazon to provide to Daimler for destruction any and
4 all unlawful products or materials, and to compensate Daimler for any and all advertising or
5 other expenses necessary to dispel the public confusion caused by Amazon's unlawful acts;

6 13. Entry of a judgment against Amazon for monetary damages in an amount to be
7 proven at trial, including but not limited to, all amounts necessary to compensate Daimler for
8 Amazon's wrongful use of the MERCEDES-BENZ Mark, including reasonable attorneys' fees
9 and costs;

10 14. Alternatively, instead of actual profits and damages, entry of a judgment awarding
11 Daimler statutory damages of \$2,000,000 per counterfeit mark per type of goods or services sold,
12 offered for sale, or distributed, pursuant to 15 U.S.C. § 1117(c);

13 15. Entry of a judgment against Amazon for legal fees upon a finding that this case is
14 exceptional under 15 U.S.C. § 1117, and for increased damages upon a finding of willfulness in
15 Amazon's unlawful acts alleged herein with respect to the MERCEDES-BENZ Mark, said award
16 to equal at least treble Amazon's actual damages under 15 U.S.C. § 1117; and

17 16. Such other relief as this Court deems just and proper.

18 **VII. DEMAND FOR JURY TRIAL**

19 Pursuant to Rule 38(b) of the Federal Rules of Civil Procedure, Daimler hereby demands
20 trial by jury on all issues raised by the Complaint.

21 **DATED** this 6th day of October, 2017.

22
23 NICOLL BLACK & FEIG PLLC

/s/ Larry E. Altenbrun

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CERTIFICATE OF SERVICE

I declare under penalty of perjury of the laws of the state of Washington that on October 6, 2017, I electronically filed the above document with the Clerk of the Court using the CM/ECF system, which will send notification of such filing to the following:

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